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ABSTRACT

Three presentations are provided from Symposium 36, Knowledge Management, of the Academy of Human Resource Development (HRD) 2000 Conference Proceedings. "Corporate Knowledge Management and New Challenges for HRD" (Hunseok Oh) identifies new challenges for HRD: training and developing knowledge workers, developing managers and team leaders as knowledge coordinators, and building a knowledge-sharing culture. "The Impact of the Corporate University--Case Study Analysis of Developments in the UK" (John S. Walton, Michele C. Martin) subjects the concept and practice of corporate university to a critical review through analysis of five organizations. It tests whether the model can support subsequent in-depth primary and comparative analysis and explain similarities and differences between UK and United States approaches. It also evaluates what corporate universities offer that is distinctive from previous in-house training/HRD provision and justifies the appellation "university." "Integrating Knowledge Management into HRD To Improve the Expatriation Process" (Teresa M. Palmer, Iris I. Varner) explores the application of knowledge management to the process of expatriation, using the Palmer & Varner Organizational Decision Making Model for International Staffing, and argues systematic knowledge management may hold the key for improving the success rate. The papers contain reference sections. (YLB)

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Corporate Knowledge Management and New Challenges for HRD

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Corporate knowledge seems to have become as valuable an asset as physical resources such as capital and land in the post-industrial society. Knowledge as an intangible source of competitiveness poses new challenges to human resource development practitioners. The new challenges identified for human resource development include training and developing knowledge workers, developing managers and team leaders as knowledge coordinators, and building a knowledge- sharing culture.

Keywords: Knowledge Work, Management Development, Culture

Knowledge seems to have become a more valuable asset for business success than physical resources and capital in the post-industrial society (Boisot, 1998; Davenport & Prusak, 1998; Drucker, 1993; Stewart, 1997; Sveiby, 1997). Knowledge is, in nature, an intangible asset of firms competing in global economies. This intangible nature of knowledge requires different managerial strategies based on the perspective.

Successful knowledge management depends on whether employees understand how corporate knowledge adds value, how it is created, and why it needs to be managed, as well as whether they are willing to share knowledge among one another (Davenport & Prusak, 1998). Knowledge management presents new challenges for human resource development (HRD) practice and theory because the rise of knowledge work and knowledge workers demands new types of knowledge and skill training, career development strategies, manager and team leader development, and cultural change in organizations.

The purpose of this paper is to explore new challenges presented to HRD practitioners for successful knowledge management. Based on the extensive literature review, new challenges posed to HRD practitioners are presented.

Research Question

What are the new challenges presented to HRD for a successful knowledge management?

The Rise of Knowledge Work and The Knowledge Worker

Knowledge work and the knowledge worker reflect new conceptualizations rather than new phenomena since knowledge work and knowledge workers have existed for thousands of years. Shamans, philosophers, witch doctors, priests, and teachers have been around for a very long time, and historically have been considered knowledge workers in that they created and transferred knowledge and information (Cortada, 1998). It is, however, not until recent management concern for corporate knowledge and its management that this notion has been drawing the explosive attention of scholars and managers.

Knowledge work is defined as any work that requires mental power rather than physical power (Drucker, 1993). McDermott (1995) defines knowledge work more comprehensively, referring to analyzing information and applying specialized expertise to solve problems, generating ideas, teaching others, or creating new products and services.

The term "knowledge worker" first appeared in the late 1950s and owes its origin to Machlup, a distinguished economist studying knowledge and its creation, distribution and economic significance. In his seminal work *The Production and Distribution of Knowledge in the United States*, Machlup (1962) presented the idea that knowledge had became a major item of production within the U. S. economy. He also described a new class of workers, *knowledge-producing workers*, referring to those who create new knowledge and those who communicate existing knowledge to others. According to Machlup (1962), knowledge workers would include clerks, teachers, and researchers who were responsible for the entire spectrum of activities, from the original creator to the transporter of

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knowledge. Since the 1960s, Drucker has popularized the term *knowledge worker* in business management. When Drucker (1993) uses the term, he is referring to an executive or manager whose main work is less related to hand work.

More and more workers, however, use data and information, so that the breadth and depth of knowledge required by most people to perform their work is much greater than it was in the past. Work has become more complicated, requiring more sophisticated knowledge and information to differentiate product and services, as a result, there has been a growing need for knowledge with which to guide human behavior in a certain direction (Cortada, 1998). Moreover, business profitability depends on efficient management based on new tools and techniques, deep understandings and insights.

The knowledge component of everyone's work has increased dramatically (Allee, 1997; Stewart, 1997; Sveiby, 1997) whether it is agricultural, blue collar, clerical, or professional. For example, a Federal Express driver physically moves things, but that driver might also operate on-board terminals and telecommunications equipment, as well as navigate through traffic. In this broad perspective, every employee can be referred to as a knowledge worker in the post-industrial organization. Therefore, the knowledge worker refers to a class of worker whose work consists largely of handling information and knowledge, and in particular, transforming data and information to knowledge.

A Theory of Knowledge

While the dominant philosophers of each age have contributed their own definitions of knowledge. Working definitions of knowledge, knowledge hierarchy and its transformation are the main focus in this paper.

According to the tradition of western philosophy, knowledge is argued to be "a set of justified true beliefs (Nonaka & Takeuchi, 1995, p. 58)." This definition requires three conditions of knowledge. It needs to be *justified* by the knower as *true,* which ultimately constitutes the *knower's belief* with a potential to lead to action. Knowledge goes through the process of justification while it is created, transferred, shared, disseminated, and discarded on a daily basis through formal and informal interactions among employees or individual reflections in organizations.

Many researchers have attempted to capture the nature of knowledge and presented several characteristics: knowledge is tacit, explicit, implicit, action-oriented, personal, constantly changing, self-organizing, and socially constructed (Brooking; 1996, Fisher & Fisher, 1998; Nonaka & Takeuchi, 1995; Polany, 1966; Sveiby, 1997). Among those characteristics of knowledge, the one that might explain why knowledge management has become a critical issue in business is *actionability*.

Knowledge is actionable in that it enables employees to discriminate things or events and enormous amounts of data and information, and in turn, to choose a particular course of action instead of another (Lyles, Kroh, Roos, & Kleine, 1996; Sveiby, 1997; Vicari, Krogh, Roos & Mahnke, 1996). Unlike data and information, knowledge contains judgment based on belief (Davenport & Prusak, 1998). Thus the definition of knowledge includes belief. This discriminating power of knowledge enables firms to behave differently from others, and ultimately to create new value in the market.

Knowledge management refers to the explicit and systematic management of vital knowledge and its associated processes of creating, gathering, organizing, sharing, and exploiting (Bassi, 1997). Corporate knowledge management is based on the assumption that identifying and facilitating the processes of knowledge (i.e., creating, organizing, transferring, disseminating, and storing) are necessary for a firm to maintain its sustainable competitiveness.

Knowledge Hierarchy and Transformation

Although information and knowledge often are used interchangeably, it is important to differentiate the interrelated concepts of data, information, and knowledge (Allee, 1997; Sveiby, 1997). Thinking of those concepts as similar or synonymous fail to understand the dynamic nature of knowledge and its management. Data are symbols that represent the properties of objects and events (Ackoff, 1994). Information is defined as the "meaning that human beings assign to incoming data (Marshall, Prusak & Shpilberg, p.229)." Such a differentiated understanding could be visualized by the following figure of a knowledge hierarchy. According to this figure, information is obtained as a result of transformation of data. This upward movement makes previously invisible meaning, connections, and patterns among data understanding one (Nonaka & Takeuchi, 1995). Knowledge is more highly contextual than information in that information transforms into knowledge under the influence of context. The context can include situations, relationships, assumptions, expectations and prior events (Whitaker, 1996).

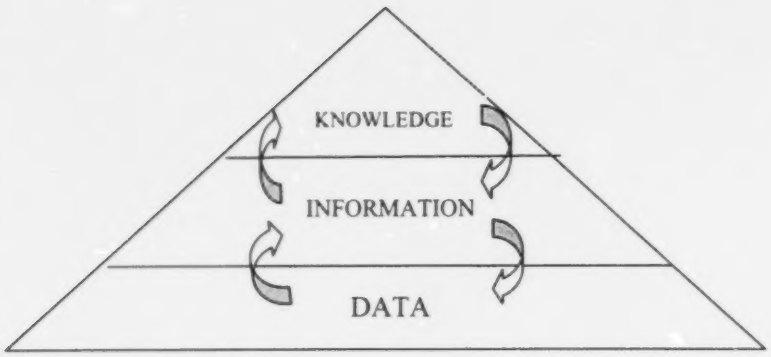

Figure 1. Knowledge Hierarchy (adapted from Allee, 1997).

Moving downward in the knowledge hierarchy also adds a dynamic nature to knowledge. One person's knowledge is another's information or even data (Stewart, 1997; Sveiby, 1997). At the moment when a person's knowledge is articulated, it transforms into information or even data to the receiver. This transformation happens because articulated knowledge in verbal or written language is meaningless unless the receiver gives it meaning. For example, the enormous amount of data in the Congressional Library or on the Internet is meaningless unless that information is transformed into knowledge by the receiver. In this respect, some even argue that information is, as such, meaningless (Sveiby, 1997). Knowledge is what information becomes when it is interpreted and given meaning.

The process in which knowledge is created and constructed is complex. Some researchers have tried to describe those complex processes of knowledge creation based on the classification of types of knowledge (Brooking, 1996; Nonaka & Takeuchi, 1995). Nonaka and Takeuchi (1995) suggested two types of knowledge adapted from Polany's theory of tacit knowledge. Their insight is that knowledge is created by an interaction of two types of knowledge (tacit and explicit), which creates four modes of transformation: socialization, externalization, combination, and internalization.

Socialization (tacit to tacit) is a process of tacit to tacit transformation through sharing experience and thereby creating tacit knowledge, such as shared mental models and skills. This process creates knowledge through conversation and reflections.

Externalization (tacit to explicit) is a process of articulating tacit knowledge into explicit concepts. The move from tacit to explicit implies codifying something, thus making it accessible to everybody. In spoken words, the tacit knowledge takes the form of metaphors, models, concepts, and equations, which express in a reduced and somewhat distorted form of the tacit knowledge of an individual.

Combination (explicit to explicit) is the process of systemizing explicit concepts into a knowledge system, that is, combining different bodies of explicit knowledge into new explicit knowledge by analyzing, categorizing, and reconfiguring knowledge. Databases and computer networks are the new tools for this kind of knowledge transformation. However, as knowledge cannot at present be created either by computers or by books, there cannot be a direct explicit to explicit knowledge transfer. Explicit to explicit transformation can involve only data or information because it must be interpreted by a human mind to become knowledge.

Internalization (explicit to tacit) refers to the absorption of explicit knowledge into tacit knowledge. It is closely related to learning by doing (Sveiby, 1997). This process requires somebody to access codified documents and learn from them. Reading books or reports is a typical example of the internalization.

These movements of knowledge along the tacit-explicit spiral essentially are events of knowledge sharing (Nonaka & Takeuchi, 1995; Sveiby, 1997). Where there is no knowledge sharing, there may be little knowledge creation. The issue of knowledge sharing is, therefore, crucial for knowledge management.

New Challenges for HRD for Successful Knowledge Management

Since knowledge influences or is influenced by myriad aspects of the organization, it is essential to identify key factors that contribute to the success of knowledge management. From an HRD perspective, three critical factors are necessary for knowledge management efforts to be successful: a) training and developing knowledge

workers, b) developing managers and team leaders as knowledge coordinators, and c) building a knowledge-sharing culture.

Knowledge Worker Training and Development.

Knowledge workers need to have knowledge transformation competency and skills, including that for using cutting edge technology. They must be aware of and understand the importance of an intangible asset and its management. In addition, knowledge work team building will facilitate the knowledge management process.

Knowledge transformation competency building. Exploring what competencies differentiate knowledge workers from industrial workers and how to develop those competencies is beyond the scope of this article. It is, nonetheless, evident that the skill requirements of knowledge work create new demands for employee training and development. Knowledge hierarchy and its modes of transformation shows that knowledge transformation competency is required for the knowledge worker. Knowledge transformation competency refers to the knowledge workers'capability that enables them to perform four modes of knowledge transformation.

In particular, the internalization competency is critical because knowledge workers search, collect, analyze, and reduce data and information, internalize and create new knowledge on a daily basis. Throughout the internalization mode, data and information reduction and analysis skills are likely to play critical roles in transforming data to information to knowledge because knowledge workers encounter enormous amount of data and information exploding in and outside the organization. Without having tools necessary to reducing data and information, knowledge workers may not be effective in decision making or problem solving.

Continuous technology training. A technology infrastructure is a necessary element for successful knowledge management, as is employee training in using cutting edge technology. Current communication technologies including the computer, video-conferencing, and the World Wide Web accelerate the speed of sharing knowledge and provide rich sources for business decision making. Constant and drastic developments in technology require knowledge workers to stay up-to-date and advanced in technological knowledge and skills through continuous technology training and learning.

Knowledge awareness training. Employees at all levels in the organization should be aware of the value created by intangible assets compared to physical assets. They should also be aware of how knowledge is created, shared, and distributed in the organization. Awareness is necessary, because according to a survey by the American Productivity and Quality Center, the number one reason that knowledge was not being shared was because employees either did not know that knowledge existed in their organization or did not realize that their knowledge would be valuable to others (Ostro, 1997).

Every employee needs to understand that knowledge is the firm's most vital asset to sustain a firm's competitiveness (Davenport & Prusak, 1998). Unlike physical assets whose value decrease increasingly due to the law of diminishing returns, the value of knowledge increases the more it is used and shared (Stewart, 1997; Sveiby, 1997). Knowledge and intellect grow exponentially when shared as people gain information and experience through feedback questions, amplifications, and modifications.

Knowledge work team building. Knowledge transformation can take place not only at an individual level but also at a team or group level. As teams become the dominant work units in organizations (Dyer, 1995), team members play a critical role in knowledge transformation. If knowledge is not shared with others or is not transformed at the team level, knowledge will not grow into the organizational level.

Team building will facilitate the socialization mode in which team members share their experiences and mental models. Meaningful dialogues and discussion among team members will accelerate the externalization mode. Metaphors and analogies are expressive tools enabling team members to articulate their tacit knowledge, otherwise hard to communicate (Nonaka & Takeuchi, 1995). Team members are also engaged in the combination mode when a new concept formed by the team is combined with existing data as wells as with knowledge that resides outside the team. Finally, team members perform in the internalization mode when they interpret the new explicit knowledge by reframing and deepening their own tacit knowledge.

Development of Managers and Team Leaders as Knowledge Coordinators

Although every employee is responsible for creating and sharing new knowledge, roles and responsibilities vary from front line employees to middle managers to senior managers. Furthermore, the contributions of knowledge workers are better determined by the importance and quality of knowledge they produce than by their status in the organization (Nonaka & Takeuchi, 1995).

Middle managers play the role of *knowledge coordinators* in the knowledge transformation process. The role of knowledge coordinator is to synthesize the tacit knowledge of both front-line employees and senior executives, make it explicit, and incorporate it into new products and technologies. They work at the intersection of the vertical and horizontal flows of information within the company. The knowledge transformation process is coordinated by middle managers, who are often leaders of a team or task force, involving both top and front-line employees.

The core processes for creating organizational knowledge takes place intensively at the team level. Direct and meaningful dialogue within the team stimulates externalization. Through these dialogues, team members articulate their own thinking, sometimes through the use of metaphors or analogies, revealing tacit knowledge. Therefore, team leaders also play the role of knowledge coordinator.

Managers and team leaders must be able to a) decide what business goals the codified knowledge will serve, b) identify knowledge existing in various forms appropriate to reaching those goals, c) evaluate knowledge for usefulness and appropriateness for codification, and d) identify an appropriate medium for codification and distribution (Davenport & Prusak, 1998).

Building A Knowledge Sharing Culture

Knowledge sharing must be encouraged and rewarded. Participation in the network needs to be factored in all promotion and compensation reviews. The firm should reward the author of frequently referenced ideas and knowledge (Klein, 1998). At one consulting firm, consultants are expected to document what they have learned about what works and does not work in their consulting and are partially compensated based on how often their documentation is accessed from a central knowledge repository (Marshall, Prusak & Shpilberg, 1996). Incentives encouraging knowledge sharing worked as a catalyst for successful knowledge management in this firm.

The natural tendency of reluctance to knowledge sharing, however, presents another challenge for HRD. Competition among workers for promotions or pay raises and the notion that a worker's knowledge is their power base inhibit the sharing of knowledge. How to get people to share knowledge will be a crucial question for knowledge management.

HRD needs to build an ethic of open communication where discussion and constructive feedback are encouraged. Moreover, trust is positively related to personal contact and open communication (Wathne, Roos, & von Kroh, 1996). Some firms have set up "talk rooms" to encourage the frequent and creative exchange of knowledge. Corporate picnics and knowledge fairs where people gather and exchange knowledge are other good examples. Tacit knowledge transfer generally requires extensive personal contact. The transfer relationships include partnerships, mentoring, or apprenticeships (Davenport & Prusak, 1998). In short, HRD practitioners need to facilitate the human network to encourage the free flow of knowledge.

Conclusions

Knowledge as an intangible asset is not only opening a new era of organizational competitiveness and but also poses new challenges to HRD. This paper identified new challenges posed to HRD for successful knowledge management.

First, the rise of knowledge work and knowledge workers has created a demand for new types of knowledge worker training and development in such areas as knowledge transformation competency building, continuous technology training, knowledge awareness training, and knowledge worker career development. Second, the managers and team leader's roles as knowledge coordinators should be maximized to play a key part in creating and managing corporate knowledge. Third, HRD should facilitate a culture of knowledge sharing through removing the barrier to the free flow of knowledge and building multiple channels of knowledge transfer, including space for personal contact as well as electronic contact. Finally, a knowledge-oriented culture should be built into the organizational structure through the emphasis on human value, recruiting and selection, and the cultural alignment of knowledge management.

HRD is expected to play a role in developing and unleashing human expertise through organizational change, training, and development (Swanson, 1995). Unleashing and developing human expertise will facilitate the process of knowledge creation and sharing in that the process of making one's own knowledge explicit and shared with other members of the organization accompanies the efforts to employ one's own knowledge and experiences and create new ones.

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The Impact of the Corporate University – Case Study Analysis of Developments in the UK

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In this paper, the notion of 'corporate university' is treated as problematic, conceptually undeveloped, and warranting closer scrutiny. The paper subjects it to a critical review from a strategically oriented HRD perspective, based on a theoretical explanatory model developed from an earlier study of practice primarily from the US. At a specific level it draws upon case study examples in the UK in order to test whether the model can support subsequent in- depth primary and comparative analysis and explain similarities and differences between UK and US approaches. At a more general level it evaluates what if anything do corporate universities offer that a) is distinctive from previous in-house training/HRD provision and b) that justify the appellation 'university'.

Keywords: Corporate University, UK, Theoretical Model

Inspired by an original idea generated at the Walt Disney Company, the notion of a corporate university is becoming increasingly fashionable as an overarching designation for formal learning and knowledge creating activities and processes within an organisation. At the time of writing some 1600 are held to be in existence, a 40% increase from 1997 and a 400% increase from 1990 (Meister 1998b). In North America they are particularly common and the evolution of some, such as the Motorola University, well documented. Others from the USA include Air University, the arm of the US Air Force responsible for providing professional military education, and the National Defense University. General Motors Corporation announced the launch of General Motors University in 1997. In the UK they are an emergent post 1990 phenomenon with, for example, Unipart University well established, Anglian Water having developed a University of Water in 1995 and British Aerospace having launched the British Aerospace 'Virtual' University in 1997. A number are at a very early stage of development such as Lloyds TSB, Ernst and Young Virtual Business School, and Royal & Sun Alliance. Sherlock (1999) believes that corporate universities like Lloyds TSB and Unipart U are the first waves of a rising tide. Trasler (1999) suggests that the 'corporate university philosophy should soon be as integral a part of British business life as it already is in the USA'. There have been a wave of conferences in the UK over the last twelve months including two Corporate University weeks organized by the International Quality and Productivity Centre (IQPC), a three day symposium organised by Corporate University XChange, a one day seminar and site visit organized by the University Forum for HRD at Unipart U, and a one day seminar on the New Model Universities jointly sponsored by ICL and the Independent newspaper. On the other hand, perhaps because of the newness of the concept, there are suggestions that corporate universities are 'an easy target for derision' (Swann 1999) and 'could disappear, being seen as a fad of a particular time or an expensive overhead' (Walton 1999, p434). This paper subjects the concept and practice of corporate university in the UK to a critical review through a case study analysis of five organisations.

Theoretical Framework:

In theoretical terms, until recently little has been written that underpins the concept of 'corporate university' or accounts for the current popularity of the term (Walton op cit). Meister (1994, 1998a) provides a synopsis, although her approach veers towards the descriptive and normative as opposed to the analytical and evaluative. For example, Meister makes the unsubstantiated assertion that whereas 'a training department tends to be reactive, decentralised, and serves a wide audience with an array of open enrolment programmes', a corporate university 'is the centralised umbrella for strategically relevant learning solutions for each job family within a corporation' (Meister 1998a p267). She also suggests the term *university* is preferred to *enhanced training department* because 'learning is important and by using the metaphor of a university the intent is grand'. In this she follows Motorola where the word *university* is seen as 'being ambitious but is designed to arouse curiosity and to raise the expectations of both the work force and the training and education staff. It could have been termed an 'educational resource facility', but that would not have animated anyone' (Wiggenhorn 1990). Carnall (1999) states that there are long established examples

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of organisational practice wherein education and work have been integrated but what gives corporate universities their uniqueness is `the greatly enhanced focus upon value'.

He suggests that the emerging model of the corporate university` seeks to integrate the concern to educate, the concern to develop new knowledge, a focus on 'qualifying people', with a concern to balance individual and corporate value from the investment in education' (ibid). Aubrey (1999) argues that a corporate university is usually the most visible component of a Human Resource strategy, fulfilling the following conditions: it is strategic; top management is involved; it has responsibility for maintaining and enhancing the value of strategic knowledge and core competencies; it addresses itself to all employees not just the management layer; it often has proprietary programs that transfer key corporate knowledge; it constitutes an independent resource of HRD from personnel; and can be virtual with no physical facilities especially where strategic knowledge is spread out geographically and transmitted on-line. He further proposes three major types of corporate university, giving practical examples of each: 1. a resource for technology development 2. a resource for quality or service development 3. a resource for people development.

This paper seeks to further test the theoretical explanatory framework presented in Walton (op cit) which proposes that corporate universities can be classified as first, second and third generation types.

First generation is represented by the Disney approach that has directly or indirectly influenced many of the subsequent waves of corporate universities up to the present. Typical features include a range, often quite narrow, of organisation-specific training modules requiring class room attendance; an emphasis within the programme units on the acquisition of corporate values; reference to the creation of a world class workforce; and in many cases careful attention given to providing extrinsic manifestations of achievement to programme participants. Second generation corporate universities can be defined as those that go beyond a dependence on a relatively narrow, and heavily value driven, culturally specific curriculum. They often tend to emanate from a desire to embed learning from TQM initiatives into the fabric of the organisation. The overall HRD framework is in turn broader and more encompassing. The most detailed exposition to date of how a large corporation has developed and implemented the idea of a more broad based second generation corporate university, was provided by Wiggenhorn (op cit) who offers a real flavour of the values and associated practices which Motorola attached to the concept in 1990. As described, it is still instrumentally focussed in terms of programmes delivered and approaches to delivery. Third generation universities demonstrate sophistication in terms of learning philosophy and a mature approach to HRD together with growing evidence of virtuality. Key phrases to be looked for that represent the growing level of maturity include `learning organisation'; `intellectual capital'; `knowledge creation'; `continuous learning'; `strategic learning partnerships'; `virtuality'. There is a strong sense of their being influenced by the concept that people and learning processes are the only true source of competitive advantage in a world where products can so easily be replicated. Many have emanated from the Total Quality Management (TQM) tradition represented by the second-generation type.

Walton (op cit) further proposes, based upon research into organisational promotional literature and other published materials of six corporate universities (McDonald's, Disney, Unipart, Rover, Boeing, Motorola) conducted by Master's degree students at London Guildhall University, that corporate universities can be further evaluated on two dimensions. One dimension looks at the extent to which corporate universities contribute to the strategic direction of the organisation. The second dimension looks at the extent to which they demonstrate a strategic HRD approach in terms of embedding learning into the fabric of the organisation's processes. He further suggests that most of them seem `to support the overall strategic direction of the organisations concerned. However, in terms of learning philosophy and a mature approach to SHRD, there are substantial differences, with a growing level of sophistication in some more recent examples (Walton ibid p434).

Figure 1 No<---------- Alignment with strategic HRD ---------->Yes

Generation 1	*Generation 2*	*Generation 3*
Disney McDonald's	Unipart (1994) Motorola (1990)	Rover, Boeing, Motorola (current)
Generic, on the job, technical skills, Cultural, Customer Service, Broader business context	Operates using U framework, Part of strategic fabric, Incorporates multi-level (relevant) campus-based learning	Personal agenda encompassed, Virtual facilities, Systemic approach

Yes<---------- Alignment with strategic goals ---------->No

Research Question and Hypotheses:

The primary research question asks: Given the current burgeoning interest in, and rhetoric about corporate universities originating in the USA and now impacting in the UK, what do they mean in practice?
The paper tests the hypotheses that 1. Three different categories (or generations) of corporate university can be identified in organisation practice representing increasing degrees of sophistication in respect of orchestrating individual and collective learning. 2 First generation corporate universities represent little more than a re- badging of conventional training and development departments. Second generation corporate universities reflect a broader based strategy towards organisational learning but are still campus and location specific. Third generation corporate universities possess a virtual element to the learning process, and encompass a broad range of strategies for the development of `intellectual capital'.
3. The corporate universities in the UK, because of their more recent origins, will demonstrate features more akin to second and third generation examples.

As a secondary question it also evaluates the extent to which corporate universities meet the criteria conventionally associated with `university'. Criteria used are `sponsorship of research'; `openness of access'; `focus on education' as opposed to `training'; `provision of high level qualifications'; `evidence of scholarly activity and independence'.

Methods

The research is based on a number of case study investigations using qualitative methods including 'nterpretive techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency of certain more or less naturally occurring phenomena in the social world' (Van Manan 1983). The 'representativeness' of each case was not determined on the basis of statistical generalisation but in terms of possibilities for theory extension (Stake 1995). Initial data collection, was primarily by means of a literature review of corporate universities both in the US and the UK supported by company documentation. Confirming evidence on current practice was obtained from attending, both in the USA and the UK, a number of conference presentations on the topic and subsequently meeting with some of the presenters to obtain further clarification. A secondary interpretative analysis was then undertaken to provisionally position each U' within the Walton (op cit) classification system. In the UK a more detailed case study analysis of a few corporate university initiatives was then conducted by means of in-person and telephone interviews, Email correspondence, surveys and site visits to position them within the proposed classification system and compare them against each other.

The analysis was supported by asking respondents the following questions: *History*: When did your Corporate University start? Who initiated it? What was the thinking behind it? Why did you decide to have a corporate university? Why now (if new)? What is distinctive or new about the corporate university? What happened before? What used to happen? *Structure:* Who or what department in the company does the corporate university report to? How are you financed? What role does management play in corporate university? Are there faculty and boards of trustees/advisors? Who are they? How are they chosen? What positions do you have in the corporate university? What are their roles, titles, job description, pay and structure? Do you have a campus? Where does the staff come from? How are they selected? *Content:* What programs does your corporate university offer? What is the balance between education programs and job oriented training programs? What kinds of technologies are you using? Do you award certificate, degrees? *Internal/External Marketing:* What words are used to describe it and sell it? Who is the audience? Internal? External? Shareholders? Clients? Market? What kinds of staff incentives are there for learning? Do you use the word `university` in the promotional literature? In what way is your CU similar, in what way different from a conventional university? Where do you see learning taking place? *Partnership and Collaboration*: What relationship, if any, do you have with conventional universities? How are your educational partners chosen and measured for effectiveness? Why do you use the word `university` in the title? *Strategy:* What contributions do you see yourself making to the overall directions of the corporation? What are the criteria for success of the university? How do you measure the university effectiveness? Who gets access to learning? *Research and Development:* What sort of research do you sponsor? Is the CU research made public? *Current Practice*: How has your CU changed since it first began? Which most closely fits where you are now, first second or third generation? What do you hope to accomplish? How, if at all, has having a CU changed your recruiting strategies? How do you ensure continued buy-in from senior management and employees?

These questions were used as a guideline and modified according to the answers as they were received. However, for each case study, the objective has been to obtain information against each of the questions listed

above. The respondents have been chosen on the basis of one or more of seniority; appropriate HRD role and knowledge of the corporate university within the organisation in questions. It was fundamental that each person was able to operate as an authoritative and expert witness to the process. In a further attempt to authenticate data analysis we have compared the respondents' comments with published documentation and in some instances drawn upon direct observations through site visits. Following Morgan (1993 p302), we were focusing on tangible, observational and verifiable Class 1 data and less on respondents interpretive and attitudinal comments (Class 2 data) and subjective researcher interpretations (Class 3 data). Nevertheless we were interested in establishing why the word *university* was chosen and in what way it was seen to be different to other forms of learning intervention.

Results and Findings:

Unipart University

Data on Unipart `U' was obtained during a site visit in April 1999 supported by company documentation and other published materials. Unipart is one of Europe's biggest privately owned component makers for the automotive industry. Opened 1993, the Unipart University (`U') is not intended to be an add-on to the company's training but to be seen as `the training'. Particular themes are to educate factory floor employees in the principles of lean production, continuous improvement and managing new technology. In-house documents state that the `U' exists to foster a climate of learning and a continuous re-skilling culture with a focus on quality and customer service. All nine of the group's businesses have been designated a `faculty' and the managing directors of each, called `deans', oversee policy under the chairmanship of a professor of motor industry management from a conventional university who was appointed as the first `principal'. The support staff - both trainers and personnel professionals - makes up the `core' faculty.

The `U' is seen as a catalyst for getting training onto the strategic agenda because it provides `a highly visible infrastructure for discussion on training with management involvement'. The activities of the `U' are mainly for employees, but increasingly, other stakeholders of the company such as customers, suppliers and the community attend courses and use the facilities. The whole offering is campus-based in a plush new suite on the ground floor of the group HQ building in Oxford, England. It incorporates the companies resorurce centre called the Learning Curve and a state-of-the-art facility with a lecture theatre, four training rooms and two small meeting rooms called the Learning Edge. All 623 in-house courses run by the U' have been developed and taught by Unipart managers and staff. The `U' learning initiatives demonstrate a strong TQM ethos and include 1) a supplier development programme, called `Ten to Zero', that teaches people to measure the effectiveness of any customer-supplier relationship on a scale of zero to ten against ten principles, such as sharing information, time delays, number of defects etc. 2) an initiative where technology is used to bring structured, just-in-time learning and knowledge-building to the shopfloor through Faculty on the Floor' centres that are designed to help manufacturing employees solve production problems. They are equipped with Internet and Intranet access, video-conferencing, and videos and PC's for training. 3) quality circles called `Our Contribution Counts' involving training in creative team problem solving techniques to help employees make improvements at the sharp end of the business.

Nevertheless, the emphasis on course delivered training, supporting a `lean enterprise' mission, gives the impression of a somewhat restricted and particular focus to its range of activities. Despite the U's claim to be a central plank in a learning organisation, there seems to be a limit to the range of learning and development concerns included within its ambit. Excluded from its sphere of operations are experiential learning, career development and other personal development activities. In that sense it echoes a number of the US second generation prototypes. There is no evidence of sponsorship of research; provision of high level qualifications or evidence of scholarly activity and independence. The focus is clearly on training as opposed to education.

University of Water

Data on the University of Water was obtained through telephone interview with a learning facilitator and face to face exchange with the Head of Learning and supported by company documentation and other published materials. In 1995, Anglian Water Ltd, one of the UK's privatised water companies formally accepted the term `University of Water' as a key plank in their attempt to become a `Learning Organisation'. The idea originated from Peter Matthews who was one of the first Directors of Innovation to be appointed in a British Company, and was developed in partnership with the Director of HR. The 'Aqua Universitas' aims to create work environments that promote learning, encourage knowledge-creation and enable collaboration with external partners, especially higher

education. It was felt that the fourteen businesses could be organised into four key areas, or `knowledge grounds', which would form the basis for learning and development: * Humanities and Social Science *Finance and Information Technology * Environmental Planning * Technology and Engineering. All business activities were held to fall into one of these areas. There is no Vice Chancellor or Rector or Provost for the university, but each faculty has a Dean, taken from the Board of Directors. Considered to be a 'virtual university' , the Intranet provides for provision of knowledge. If any student wishes to obtain information on say, the benchmarking of customer service, there is, as my respondent put it, a 'reservoir of knowledge'. One of the roles that has been created within the HR directorate is that of `Facilitator of the University of Water'. Facilitators tend to come from an operational background, and have the responsibility of acting as Internal Consultants to the 14 business units. In addition, each business unit has its own `learning champion'.

In common with many organisations, University of Water has developed relationships with universities whereby in-house programmes can be offered which lead to the award of the university degree. Anglian Water is not competing as an awarding body. Comments from respondents include: `Even though the University of Water is not tangible and you can't visit anywhere it has had a positive effect on developing the concept of learning within the company.' 'It has raised the profile of learning and given our organisation a more strategic approach to learning.' 'It is moving towards managing outside relationships with conventional universities for self-managed honours degrees, cultural development, organisation in transition skills and technical skills.' Recently the University has been `put on ice for a while' because of impending downsizing/redundancies'. This brings into sharp focus the questions round the long-term survival of these initiatives. Compared to the earlier Unipart `U', the University of Water seems to be more broad ranging in scope, and in many respects more advanced in concept. The links with what is held to be a `learning organisation' are more clearly drawn out, and there is a sense that knowledge creation and generation, as opposed to skills acquisition are important.

British Aerospace Virtual University

Data on British Aerospace 'Virtual' University was obtained through a face to face exchange with the Managing Director and Vice Chancellor in September 1999 and a telephone interview with a member of the 'Virtual'University staff. Launched in 1997, the university's mandate is to 1) catalyse, capture, communicate and embed internal and external best practice to engender business excellence 2) align and develop existing programmes and processes which support personal learning, research and development and 3) to provide knowledge and expertise to support strategic development. It is not a campus university, but a `virtual' university, in which the 39 sites both in the UK and abroad are connected via the Intranet.

There are three faculties: The *Faculty of Engineering and Manufacturing Technology* covers traditional Research and Development type activities and has developed links with mainstream universities in order to keep at the forefront of technology development. It is hoped that it will seek out new directions in the interdisciplinary development of engineering research and technology relevant to the future policy and competitive position of the company. This faculty seems to be quite `concrete' as opposed to `virtual', since it is based on existing, location-specific, functional activities. The *Faculty of Learning* is intended to motivate, facilitate and support personal and company-wide learning. At the individual level, it is intended to reach out to all of the 44,000 employees, most of whom do not have degrees and for whom the notion of `going to university' might be seen to be elitist. The outcome should be to ensure new skills and competencies and an ongoing responsiveness to company policy issues. At the organisational level, it is seen as a major component in the overall driving concept of a `learning corporation', based on the concept of world class learning and supported by `research' partnerships forged with external universities and further education providers operating in multidisciplinary virtual teams. The *International Business School* is intended to provide a focus on the rapidly evolving business climate for executive and management development, corporate learning, business process improvement, benchmarking and best practice, as well as to undertake strategic studies in support of marketing and strategic planning. Within the Business School is located a Corporate Learning Unit, with staff operating as `knowledge brokers' for purposes such as benchmarking. Additionally, it incorporates a research centre defined, as a central resource towards the identification, acquisition, adoption and delivery of technology in response to business needs. There is also a `best practice centre` designed `to secure maximum competitive advantage from benchmarking and knowledge sharing across British Aerospace and its partners`.

The overall philosophy is to see the university as the future `intellectual engine' of British Aerospace. Additionally, it will provide educational opportunities for partner companies, customers and suppliers. The 'U' does not award its own degrees, but partners with leading edge conventional universities and colleges. Each faculty can be expected to find its own university partners, recognising the fact that expertise across the range is not contained within one particular university environment. Currently there is no intention to have their own in-house professors,

but that will not exclude the notion of visiting professorships. The U' is intended to be an integral part of the business, governed by a Strategy Board made up of senior directors from across the company along with respected figures from the academic and business world. Each faculty has a dean, appointed from within the company, and a Faculty Advisory Board. Each business will also have its own nominated `Champion of Learning'. The vice-chancellor contended that `British Aerospace wants to develop people across the organisation - this is seen as the key to the future. The U' increases the company's ability to offer educational opportunities relevant to the business and to as wide a cross section of the work-force as possible. Whilst other companies in Britain and abroad have set up their own training institutes to address their individual needs, the British Aerospace Virtual U' is unique. It combines continuous learning with research and technology acquisition: with strategic development focussed directly on the local and global needs of the business and our employees'.

Interior Academy

Data on this case study was obtained by interviews with the Director of Innovation, Human Resource Director and Head of Technical Services and a site visit in October 1999. Interior Services Group, plc is a group of companies specialising in high quality, complex, interior constructions and refurbishment of offices, retail premises and leisure facilities. They provide a service to occupiers and retailer and are involved in construction management, contracting, design and build, interior and exterior renovation, building restoration and post occupancy projects. Founded in 1989, to provide a specialisation in interior construction they now have a cumulative turnover exceeding £500 million. Their clients include a wide range of blue chip clients including banks, government departments, and firms of accountants and solicitors, property and media companies.

Interior's corporate university is currently located at a physical centre in London, which is called `The Interior Academy`. The CEO, David King who is also the founder of the company, drives the whole notion. He appointed a Director of Innovation, a member of the Board of Directors, to run the Academy in partnership with department heads. The 'Academy' will be expanded in Spring 2000 because, due to a series of mergers and acquisitions, the organisation has grown in 1999 from five hundred employees to two thousand. The goal is to develop their corporate university by tying it more closely with the business goals of the organisation and utilising it to help communicate corporate culture. To that end, a project is underway for the Academy to provide a mini-MBA for its senior management in partnership with a conventional university. The notion of `corporate university' is seen as a key source of competitive advantage. The goal is to eventually sell their training related programmes and products to other organisations within the sector. The data obtained indicates that the U'has many features of a first generation corporate university and is no more than a re- badging and extension of existing training, which focuses on largely job specific courses that are delivered face-to-face. Courses range from health and safety workshops to presentation skills and are delivered by in-house staff and external consultants.

Lloyd's TSB

Data on this case was obtained by an interview with the Senior Manager of University Policy Development in December 1999 plus published data. Lloyds TSB is in the banking sector and employs 77,000 people throughout the UK. In July 1999, the University for Lloyd's was launched to create `career long' learning opportunities for its employees. It was based on the UK government model of a `University for Industry' (Ufl) and influenced by the government white paper called the Learning Age that spelt out possible approaches for life long learning for UK citizens. Following the Ufl guidelines, the University for Lloyd's has two specific aims: 1. to make learning more accessible to their employees 2. to link learning with business needs. Lloyd's felt it was important to use the word `university` for its initiative – our respondent said that the word university was seen as a synonym for universality to imply inclusiveness - and got permission from the Privy Council to do so. According to the Council, the word 'university' could be used only if Lloyd's called themselves a `corporate' university and created training only intended for Lloyd's staff. The U'was seen to represent a considerable source of competitive advantage. First it was launched to 5,000 senior employees at a conference in Birmingham secondly at the House of Commons. The employee launch was carefully guarded and kept under wrap until the big conference where it was announced, heralded in by a performance of the Coors, a popular band that is being used to market the Lloyd's brand. At this beginning stage, Lloyd's is consistent with a generation 1 corporate university having focused on revamping the training and development function, enhancing training programs that have worked in the past and eliminating training programs that have not worked. 70% of its training is face-to-face. The U' has three residential training centres within the UK with a 100-bed capacity. It employs a large number of trainers and consultants and has

additionally developed partnerships with conventional universities. The U'has a call centre which employees and line managers call to get one-to-one, personal advice about best training options.

The U'is moving towards consistent branding and a virtual open learning component that comprises 30% of its offer. Currently, there are 1000 multimedia computers with CD-ROM capability incorporating self-paced computer training modules available within a 10 minute drive of any employee's work base. The Intranet plays a significant role in access to course information, scheduling and the delivery of training modules. In the three months after the launch of University for Lloyd's the Intranet had a record 10,000 hits. Comparatively, the Internet site had 1,000 hits in the same time period. There is no evidence of an intention of moving to a system of *faculties* nor of the use of terminology associated with third generation corporate universities.

Conclusions and recommendations

As we tried to collect data for our research we found that some UK institutions that are currently creating corporate universities see them as a source of strategic competitive advantage and therefore are quite cautious about discussing them. Others were very open, with respondents speaking with considerable fervour about the newness of approach which they feel is represented and how it puts them at the forefront of Strategic HRD practice. We also discovered a lot of rhetoric and hype in the way they were marketed, both internally and externally. Moving beyond the rhetoric the first conclusion is that the proposed theoretical framework has explanatory validity for substantiating hypothesis 1. Furthermore, we were able to differentiate on the basis of empirical data between a so-called first generation university, where the term U' seems to be used to badge or re-badge existing training departments through to a third generation'university, which is seen as a central plank of an attempt to become a knowledge-creating learning organisation (hypothesis 2). The evidence for hypothesis 3 was less clear. Of the five UK organisations studies, two reflected the first generation type, one the second generation and two the third generation.

Figure 2 No<---------- Alignment with strategic HRD ---------->Yes

Generation 1	*Generation 2*	*Generation 3*
Interior, plc Lloyd's	Unipart	University of Water British Aerospace
Job specific training, narrow curriculum, Broader business context and culture	Operates using U' framework, Part of strategic fabric, Incorporates multi-level campus-based learning	Personal agenda encompassed, Virtual facilities, Systemic approach

Yes<---------- Alignment with strategic goals ---------->No

Our secondary research question asked to what extent corporate universities meet the criteria conventionally associated with `university'. Despite adopting the university label, and in some instances a faculty structure, the corporations studied did not achieve the curriculum range, broad-ranging academic expertise and research sponsorship of a conventional university; in many instances, developing partnerships with higher education to overcome this deficiency. The study brought to the fore the inevitable difference between the performance-driven learning imperative for corporations and the independence of thought required of a true academic community. (see Figure 3).

Figure 3

	Unipart	Uni of Water	BrAerospace	Interiors	Lloyd's
Sponsorship of research	No	No	Yes	No	No
Openness of access	Yes	Yes	Yes	Employees only	Employees only
Focus on 'education'	No	Some	Some	No	No
Provision of high level qualifications	No	Through external partnerships	Through external partnerships	Not yet	No
Evidence of scholarly activity and independence	No	No	No, other than R&D	No	No

One of the limitations of the research emanated from the fact that in the UK the concept of `corporate university' is relatively new and thus practical examples on which to ground substantive conclusions are few. A second limitation is related to getting sufficient access to USA examples in order to be able to conduct a quantitative survey and systematic field analysis. This in part relates to the rapid spread of practical examples in the USA - a purported 40% increase since 1997 which it has proved impossible to track. The research is accordingly exploratory, conclusions tentative and the proposed analytical framework needs further testing for validity.

How this research contributes to new knowledge in HRD:

This research provides a comparative study, which has not previously been undertaken between corporate universities. In so doing it has provided empirical testing of a framework for differentiating between corporate universities in terms of their level of strategic HRD sophistication. It provides evidence that some of the more recently formed corporate universities are moving towards becoming third generation non-campus `virtual entities', with all employees being attached to location independent faculties, and learning support being provided on a distance learning basis through the intranet. It also challenage the credentials of the corporate world for the implied claim that it can offer a 'university'education.

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Integrating Knowledge Management Into HRD to Improve the Expatriation Process

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Previous literature identifies the causes of the high rate of failure in expatriation. During the last five years there has been a growing body of literature on knowledge management. This paper explores the application of knowledge management to the process of expatriation, using the Palmer & Varner Organizational Decision Making Model for International Staffing. It is argued that systematic knowledge management may hold the key for improving the success rate.

Keywords: Expatriation, Knowledge Management, Training and Development

Problem Statement

Despite extensive research that identifies HRD issues related to expatriation, the success rate has not improved. One of the reasons is that organizations' participation in international business and expatriation involves processes that are cycles of events that are continually evolving. The literature on expatriation provides information about the HRD factors (selection, training, support, repatriation) that contribute to the success/failure of expatriates. What the literature does not tell us is how the organizations can maximize their achievement of organizational goals by capturing the knowledge held by expatriates within the organization. There is also an extensive body of literature on knowledge management emerging, some of which may be helpful to organizations in achieving their goals associated with expatriation.

It is the goal of this study to show how selected constructs from knowledge management can be helpful to management in optimizing the outcomes of the expatriation process. These gains may be realized by capturing the expatriates' knowledge gained. Specifically, we will examine the following research question.

Research Question

How can knowledge management be applied to the expatriation process to improve decision making and organizational outcomes?

Theoretical Framework

There are two components to the research, the expatriation process and knowledge management. This paper focuses on the development of a systematic approach to capture the knowledge reservoir of expatriates and apply it to the expatriation process.

Review of the Literature

Expatriation

Even a cursory reading of the literature makes clear that most Multinational Corporations have problems with implementing effective processes for expatriates. The failure rate is well documented. Shay and Tracey (1997) found that 25 to 40 percent of American expatriates return early if posted to developed countries. This increases to 70 percent if the expatriate is posted to a developing country.

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The difficulties start with the selection of expatriates and continue with training, support, and repatriation. Numerous studies identify critical characteristics the expatriate should possess for successful assignment abroad (Katz, & Seifer, 1996; Guzzo, Noonan, & Elron, 1994). Among these characteristics are prior overseas experience, curiosity, cultural awareness, relational abilities, and environmental factors (Black, Mendenhall, 1990; Mendenhall, & Wiley, 1994; Inkson, et al., 1997).

Training is believed to reduce failure rates by 14 percent, yet many companies still assume that a good manager is a good manager anywhere (Mendenhall, & Wiley, 1994). In addition, few companies match the characteristics of a potential expatriate with the cultural profile of the host country. To be successful, training must prepare the expatriate in three areas: technical, cognitive, and emotional (Nicholson, Stepina, & Hochwarter, 1990). Mendenhall, Dunbar, and Oddou (1987) list six reasons why companies are reluctant to provide training. They are: perceived ineffectiveness, lack of time, trend to employ host country nationals, high cost, no perceived need.

The lack of training is directly tied to a lack of support from the home country during expatriation. The lack of support in both professional and personal issues frequently results in premature repatriation and shortening of the assignment (Tung, 1981). The family is not given the necessary support to adjust to the new environment, and the expatriate frequently does not receive the support to develop the emotional and personal maturity necessary for expatriation (Shay, & Tracey, 1997).

While there are problems with selection, training and support during expatriation, the repatriation often is even more difficult. All too often expatriates leave the company after repatriation. Even if they stay, however, their knowledge and expertise are seldom used effectively to improve the institutional learning curve (Guzzo, Noonan, & Elron, 1994).

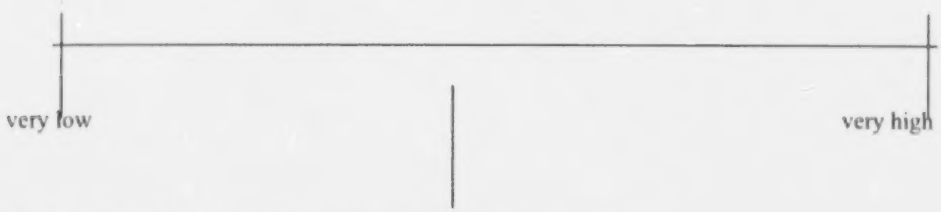
The literature clearly identifies the HRD factors that contribute to the success/failure of expatriates, but few companies are currently addressing those issues in a systematic and comprehensive way. As a result, the knowledge gained during expatriation by the expatriate, his/her co-workers and foreign counterparts is often lost.

One of the underlying reasons for the problems is that organizations typically do not systematically evaluate the optimal stage of internationalization. As a result, there is no cogent plan for determining the knowledge required by expatriates for various kinds of assignments. Palmer & Varner (1999) developed a model (see Figure 1) that integrates the expatriation process into the organization's strategic planning process. They identify decisions that must be made in three stages affecting the expatriation process. Stage 1 identifies the criticality/instrumentality of international operations to the organization. Stage 2 determines the nature of international assignments. Stage 3 determines the amount of human capital investment.

Figure 1 Organizational Decision Making Model for International Staffing

Stage 1 : Determine the importance of international operations to the organization's mission and goals.

Continuum: Perceived degree of criticality/ instrumentality

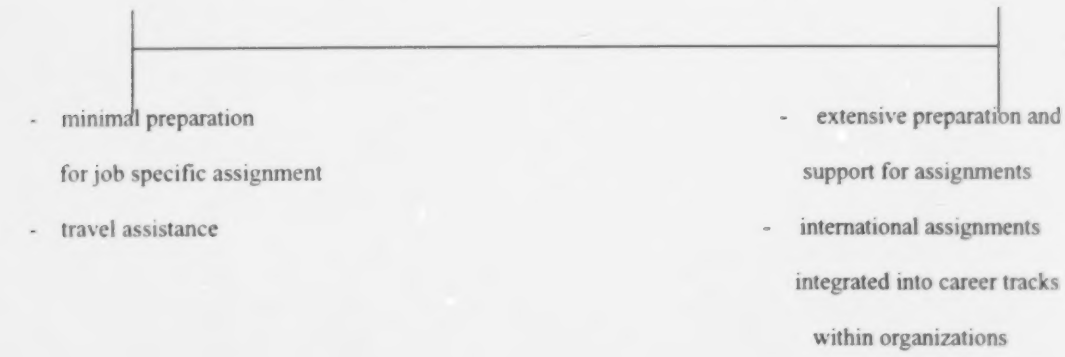


Stage 2: Determine the Nature of International Assignments

Continuum: Scope and term of assignments

Stage 3: Determine Amount of Human Capital Investment

Continuum: Preparation for international assignments and integration of assignments into career development.


- minimal preparation for job specific assignment
- travel assistance
- extensive preparation and support for assignments
- international assignments integrated into career tracks within organizations

(Palmer & Varner, 1999, 170)

Knowledge Management

Increasing attention has been focused on the value to the organization of the knowledge and skills residing in employees ever since the pioneering work in human capital by Becker (1998) and Schultz (1960) in the 1960s. As the economy has shifted its primary emphasis from production/manufacturing to service to information, "... knowledge and human expertise are starting to be seen for what they are: the source of value creation" (Lank, 1997. P. 406). Effective use of intellectual capital is seen as a critical source of competitive advantage by many companies recognized as being leaders in their industries, including such firms as Andersen Consulting, General Electric, Motorola, Ernst & Young, NEC, and GTE (Prahalad & Hamel, 1990; Stewart, 1998; Culkin, 1997). Andersen's Global Best Practices research indicates that variances in learning and best practices can lead to performance differences of 100 percent to 300 percent among divisions within an organization (Martinez, 1998, pp. 88-89). Roger Schank (1997), Director of Northwestern University's Institute for Learning Sciences who worked with Andersen to develop its revolutionary training program for consultants, recommends capturing organizational experience and stories to use in designing virtual learning activities for training employees to meet performance expectations. Stewart (1997) believes that "... intellectual capital matters more than any other asset and must be managed explicitly, not left to fend for itself" (p. 154). The process that is used to manage intellectual capital within and among organizations is known as knowledge management.

Knowledge management has been the subject of many articles in the business and management press in recent years. The term knowledge management is generally accepted to refer to the purposive and systematic identification, capture, organization, and dissemination of tacit and explicit knowledge within an organization to improve organizational performance (Culkin, 1997; Prahalad and Hamel, 1990; Rossett and Marshall, 1999; Schwen, et al., 1998; and Stewart, 1998).

Drucker (1999) states that the greatest source of increased productivity and competitive advantage in the 21st century will be from an organization's knowledge workers and their productivity. He goes onto identify six factors that determine knowledge--worker productivity.

- The answer to the question, "What is the task?"
- Knowledge--workers must have autonomy.
- Continuing innovation must be part of the work.
- Knowledge work requires continuous learning and teaching.
- Quality of worker output is at least as important as quantity.
- Knowledge workers must be seen and treated as assets by the organization and they must want to work for the organization (Drucker, 1999, 83-4).

Drucker's factors provide a framework for interfacing knowledge management and expatriation to improve both expatriate manager productivity and the organization's performance. Expatriate managers, through their unique position that provides direct contact with the external environments of the global marketplace, are in a position similar to consultants. Both are knowledge workers. Sarvary's (1999) application of knowledge management to the consulting industry identified knowledge management as a business process through which firms create and use their institutional or collective knowledge (95). He identified the three sub-processes of organizational learning, knowledge, production, and knowledge distribution as critical to gaining the advantages inherent in the access to sources of knowledge.

Methodology

Knowledge management, already being successfully used in some service and manufacturing firms, may hold the key for improving the process of expatriation for multinational corporations. The literature above identifies several issues related to management decisions about expatriate assignments, selection, training, support, and repatriation that are associated with the success/failure of the expatriate assignment. We will use the Palmer & Varner model to identify the types and detail of knowledge needed for decisions in the expatriation process. For each stage in the model, we will address the following questions:

What information/knowledge is needed?
Where does it reside?
How can the knowledge best be captured and institutionalized?
How can it be distributed most effectively to those who need it?

Application to Expatriation

While knowledge management related to the expatriation process could include gathering and disseminating data and knowledge at various levels in the organization, the majority of the potential gains would flow from the expatriates and those on short-term assignments into the system and upward through the decision making structure. They are the ones who have the first hand experience with the international environment.

Information about what knowledge, skills, and abilities are needed to perform effectively in different kinds of assignments at various sites resides in those who are currently or have been in those positions. Expatriates accumulate and absorb a wealth of data and information while on assignment. The organization needs to capture that information both during and after overseas assignments. The challenge comes in transforming the captured data, anecdotes, and information into knowledge that can be used to improve organizational decision making and outcomes.

Knowing about the successes, frustrations, challenges, and failures associated with the assignments can enable the organization to assess what preparation and support are needed to improve outcomes and to judge the effectiveness of the current levels of preparation and support. Capturing the organizational "stories" that illustrate successes and failures provides valuable information that can be used to design better training for future expatriates (in stage three of the model). For example, hearing about (and from) the plant manager sent to Senegal who was terribly frustrated by his inablility to meet production goals will be interesting to prospective expatriates. This information will become meaningful and useful when they know that even though technically possible, the goals were not achievable because workers return to their villages to provide support in times of family crises. This story, with the rationale, is much more likely to have an impact on prospective expatriates than a lecture on the need to consider cultural differences.

Expatriates can attest to the relative importance (or unimportance) of language skills and cultural understanding in various locations. This kind of information is also of great importance to organizational decision making at stage three of the model. Expatriates are also in a position to provide assessments of the level of organizational presence necessary to achieve organizational goals, information that is crucial to decisions at stage two in the model. Expatriates frequently have access to data about the threats and opportunities presented by the local environment (social, economic, political, and business) that could be critical in making decisions related to operationalizing the organization's position on the continuum in stage one.

Mechanisms to collect the kinds of data mentioned above need to be designed and made part of the organization's operating system. They can be as simple as asking expatriates questions (and recording the responses) at predetermined points in the expatriation process and making that data available to those who can make

use of it within the organization. Establishing mentors for expatriates is another way to encourage information flow two ways within the organization. If expatriates become mentors to prospective and new expatriates after repatriation, their knowledge is more likely to be captured and used within the organization. It takes a corporate culture that supports a high level of employee trust to encourage the kinds of data and information sharing for the system to work effectively (see caveat). Otherwise expatriates may be unwilling to share anything but successes and might be unwilling to access information that might be useful to them for problem solving. For those organizations that are located on the right side of the continuum in stage one of the model, factoring international experience into career development may provide the level of understanding necessary to interpret the data from expatriates and incorporate it into more effective decisions at all stages in the model.

A Caveat

While this paper focuses on the potential gains to be realized from the application of knowledge management to expatriation, for this or any knowledge management process to work, there must be a system in place to support it. Such a system requires an information technology system plus an organizational infrastructure that supports the system, including a corporate culture and reward system that encourages the information flows essential to its success (Lank, 1997; Sarvary, 1999).

How this Research Contributes to New Knowledge

This paper provides a synthesis of knowledge management constructs and the expatriation process. Both of these areas are of great interest to researchers and managers. With the growing focus on globalization and heightened competitive pressure, businesses are aware of the need to improve efficiency within the expatriation process and for the organization as a whole. There is a body of research that focuses on each of these areas, but at this point, there has been no systematic interface that takes advantage of the potential synergy.

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